

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Effective Date for the Automated Commercial Environment (ACE) Becoming the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Electronic Drawback and Duty Deferral Entry and Entry Summary Filings

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: General notice.

SUMMARY: On August 30, 2016, U.S. Customs and Border Protection (CBP) published a notice in the **Federal Register** announcing plans to make the Automated Commercial Environment (ACE) the sole electronic data interchange (EDI) system authorized by the Commissioner of U.S. Customs and Border Protection (CBP) for processing electronic drawback and duty deferral entry and entry summary filings. The changes announced in that notice were to have been effective on October 1, 2016. On October 3, 2016, CBP published a notice in the **Federal Register** announcing that the effective date for the transition to ACE as the sole CBP-authorized EDI system for electronic drawback and duty deferral entry and entry summary filings would be delayed until further notice. This notice announces that the effective date for the transition will be January 14, 2017.

DATES: *Effective January 14, 2017:* ACE will be the sole CBP-authorized EDI system for processing electronic drawback and duty deferral entry and entry summary filings, and ACS will no longer be a CBP-authorized EDI system for purposes of processing these filings.

FOR FURTHER INFORMATION CONTACT: Questions related to this notice may be emailed to ASKACE@cbp.dhs.gov with the subject line identifier reading “ACS to ACE Drawback and Duty Deferral Entry and Entry Summary Filings transition”.

SUPPLEMENTARY INFORMATION: On August 30, 2016, U.S. Customs and Border Protection (CBP) published a notice in the **Federal Register** (81 FR 59644) announcing plans to make the Automated Commercial Environment (ACE) the sole electronic data interchange (EDI) system authorized by the Commissioner of U.S. Customs and Border Protection (CBP) for processing electronic drawback and duty deferral entry and entry summary filings,

effective on October 1, 2016. The document also announced that, on October 1, 2016, the Automated Commercial System (ACS) would no longer be a CBP-authorized EDI system for purposes of processing these electronic filings. Finally, the notice announced a name change for the ACE filing code for duty deferral and the creation of a new ACE filing code for all electronic drawback filings, replacing the six distinct drawback codes previously filed in ACS. On October 3, 2016, CBP published a notice in the **Federal Register** (81 FR 68023) announcing that the effective date for these changes would be delayed until further notice.

This notice announces that the new effective date for the transition will be January 14, 2017. At that time, ACE will become the sole CBP-authorized EDI system for electronic drawback and duty deferral entry and entry summary filings, and ACS will no longer be a CBP-authorized EDI system for purposes of processing these electronic filings.

Dated: December 7, 2016.

R. Gil Kerlikowske,
Commissioner, U.S. Customs and Border Protection.

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DEPARTMENT OF HOMELAND SECURITY

U.S. Customs And Border Protection

Modification of the National Customs Automation Program Test Regarding Reconciliation and Transition of the Test From the Automated Commercial System to the Automated Commercial Environment

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: General notice.

SUMMARY: This document announces U.S. Customs and Border Protection's (CBP's) plan to modify the National Customs Automation Program (NCAP) test regarding reconciliation, and the transition of the test from the Automated Commercial System (ACS) to the Automated Commercial Environment (ACE). The modifications made by this notice eliminate several requirements for participation in the test, impose new data requirements, and establish the requirement that reconciliation entries be filed in ACE beginning January 14, 2017, regardless of whether the underlying entry was filed in ACS or ACE. Except to the

extent expressly announced or modified by this document, all aspects, rules, terms and conditions announced in previous notices regarding the reconciliation test remain in effect.

DATES: The changes made by this notice are effective January 14, 2017.

ADDRESSES: Comments concerning this test program may be submitted any time during the test via email, with a subject line identifier reading, “Comment on Reconciliation test”, to OFO-RECONFOLDER@cbp.dhs.gov.

FOR FURTHER INFORMATION CONTACT: Acenitha Kennedy, Entry Summary and Revenue Branch, Trade Policy and Programs, Office of Trade at (202) 863-6064 or ACENITHA.KENNEDY@CBP.DHS.GOV.

SUPPLEMENTARY INFORMATION:

I. Background

A. Reconciliation

The National Customs Automation Program (NCAP) was established by Subtitle B of Title VI—Customs Modernization in the North American Free Trade Agreement (NAFTA) Implementation Act (Customs Modernization Act) (Pub. L. 103-182, 107 Stat. 2057, 2170, December 8, 1993) (19 U.S.C. 1411). Through NCAP, the thrust of customs modernization was on trade compliance and the development of the Automated Commercial Environment (ACE), the planned successor to the Automated Commercial System (ACS) as the CBP-authorized electronic data interchange (EDI) system. ACE is an automated and electronic system for commercial trade processing which is intended to streamline business processes, facilitate growth in trade, ensure cargo security, and foster participation in global commerce, while ensuring compliance with U.S. laws and regulations and reducing costs for U.S. Customs and Border Protection (CBP) and all of its communities of interest. The ability to meet these objectives depends on successfully modernizing CBP's business functions and the information technology that supports those functions. CBP's modernization efforts are accomplished through phased releases of ACE component functionality designed to replace specific legacy ACS functions and add new functionality. Section 637 of the Customs Modernization Act amended Section 484 of the Tariff Act of 1930 to establish a new section (b), entitled “Reconciliation”, a planned component of the NCAP. (19 U.S.C. 1484(b)).

Reconciliation is the process that allows an importer, at the time an entry